



News release

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NIXON REPORTS
PROVINCIAL REVENUES UP

TORONTO--Treasurer Robert Nixon today said that, in response to Ontario's improved revenue performance since the 1985 Budget, the government has increased spending on social and agricultural programs.

In releasing the third-quarter report on Ontario's finances, Nixon said the total deficit, including extraordinary adjustments, is now \$2,180 million, \$33 million less than his October Budget projections. Net cash requirements without extraordinary items are estimated to be down \$20 million to \$1,675 million.

Estimated revenue for 1985-86, excluding extraordinary adjustments, stands at \$27,490 million, up \$188 million from the Budget, the Treasurer said. He added that increased revenue of \$368 million from an upward adjustment of Personal Income Tax will offset reductions in the gasoline tax, LCBO profits, interest on investments, payments from the federal government and deposits into trust accounts.

Nixon said the revised expenditure forecast of \$29,165 million, \$168 million more than his original budget plan, reflects increases in spending for social programs and additional funding for operating costs of senior citizens programs, payments to physicians, and a new family benefits allowance to help buy children's winter clothing. An additional \$30 million has been allocated for agricultural programs; emergency loans were provided to St. Catharines and Kanata in the aftermath of recent bank failures.

The Treasurer reported savings of \$21 million in interest costs on the Public Debt and said the province will continue to finance its net cash requirements from internal non-public borrowing sources.

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CONTACT: Bob Mohr
Fiscal Planning Policy
(416) 965-8490
Communications Services
(416) 965-7171

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